

HOUSE BILL No. 1234

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1; IC 36-2-9-20.

Synopsis: Property tax matters. Changes the assessment date for property tax purposes from March 1 to January 1, beginning with property taxes payable in 2016. Provides that for residential real property or a mobile home that is not assessed as real property and that is equipped with a solar, wind, geothermal, or hydroelectric heating or cooling system, the assessed value of the property is not to be increased if the improvement replaces a traditional heating or cooling system. Changes the assessed value deduction amounts from 100% to 50% of the out-of-pocket costs for solar, wind, geothermal, and hydroelectric devices that are placed on residential property. Specifies that jobs retained may be counted for purposes of the deduction for rehabilitation or redevelopment of real property in economic revitalization areas. Permits a designating body to grant a property tax deduction to a property owner of a building located in an economic revitalization area to prevent the building from becoming vacant. Allows a designating body to specify characteristics of buildings to which the term "eligible vacant building" applies when granting a property tax deduction for the occupation of an eligible vacant building in an economic revitalization area. Requires county treasurers to mail property tax statements at least 15 business days, instead of 15 calendar days, before the first payment is due. Provides that an employee of an assessor's office or an appraiser may not serve as a voting member of the property tax assessment board of appeals in the county where the individual is employed. Provides that the definition of "protected taxes" includes property taxes imposed by a political subdivision to pay for
(Continued next page)

Effective: Upon passage; July 1, 2014; January 1, 2015.

Thompson, Clere

January 14, 2014, read first time and referred to Committee on Ways and Means.



Digest Continued

debt service obligations incurred after December 31, 2012, by a political subdivision that are not exempted from the application of a circuit breaker credit. Establishes assessor, appraiser, and tax representative standards of conduct. Makes conforming date changes regarding reassessments and the transmission of data to conform to the January 1 assessment date.



Second Regular Session 118th General Assembly (2014)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

HOUSE BILL No. 1234

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-1.1-1-2 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. "Assessment date"
3 means **the following**:

4 **(1) For property taxes first due and payable after December**
5 **31, 2015, January 1.**

6 **(2) For property taxes first due and payable before January**
7 **1, 2016, the following:**

8 ~~(1)~~ **(A)** March 1 for all tangible property, except mobile homes
9 as defined in IC 6-1.1-7-1.

10 ~~(2)~~ **(B)** January 15 for mobile homes as defined in
11 IC 6-1.1-7-1.

12 SECTION 2. IC 6-1.1-3-17, AS AMENDED BY P.L.146-2008,
13 SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
14 JULY 1, 2014]: Sec. 17. (a) On or before June 1 of each year **that ends**
15 **before January 1, 2016, and on or before May 1 of each year that**
16 **begins after December 31, 2015**, each township assessor (if any) of a



1 county shall deliver to the county assessor a list which states by taxing
 2 district the total of the personal property assessments as shown on the
 3 personal property returns filed with the township assessor on or before
 4 the filing date of that year and in a county with a township assessor
 5 under IC 36-6-5-1 in every township the township assessor shall deliver
 6 the lists to the county auditor as prescribed in subsection (b).

7 (b) On or before July 1 of each year **that ends before January 1,**
 8 **2016, and on or before June 1 of each year that begins after**
 9 **December 31, 2015,** each county assessor shall certify to the county
 10 auditor the assessment value of the personal property in every taxing
 11 district.

12 (c) The department of local government finance shall prescribe the
 13 forms required by this section.

14 SECTION 3. IC 6-1.1-4-4.2, AS ADDED BY P.L.112-2012,
 15 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 JULY 1, 2014]: Sec. 4.2. (a) The county assessor of each county shall,
 17 before July 1, 2013, and before ~~July~~ **May** 1 of every fourth year
 18 thereafter, prepare and submit to the department of local government
 19 finance a reassessment plan for the county. The following apply to a
 20 reassessment plan prepared and submitted under this section:

21 (1) The reassessment plan is subject to approval by the
 22 department of local government finance. The department of local
 23 government finance shall complete its review and approval of the
 24 reassessment plan before:

25 (A) March 1, 2014; and

26 (B) **January 1** of ~~the each subsequent year following the that~~
 27 **follows a** year in which the reassessment plan is submitted by
 28 the county.

29 (2) The department of local government finance shall determine
 30 the classes of real property to be used for purposes of this section.

31 (3) Except as provided in subsection (b), the reassessment plan
 32 must divide all parcels of real property in the county into four (4)
 33 different groups of parcels. Each group of parcels must contain
 34 approximately twenty-five percent (25%) of the parcels within
 35 each class of real property in the county.

36 (4) Except as provided in subsection (b), all real property in each
 37 group of parcels shall be reassessed under the county's
 38 reassessment plan once during each four (4) year cycle.

39 (5) The reassessment of a group of parcels in a particular class of
 40 real property shall begin on ~~July~~ **May** 1 of a year.

41 (6) The reassessment of parcels:

42 (A) must include a physical inspection of each parcel of real



property in the group of parcels that is being reassessed; and
 (B) shall be completed on or before ~~March~~ **January** 1 of the
 year after the year in which the reassessment of the group of
 parcels begins.

(7) For real property included in a group of parcels that is
 reassessed, the reassessment is the basis for taxes payable in the
 year following the year in which the reassessment is to be
 completed.

(8) The reassessment plan must specify the dates by which the
 assessor must submit land values under section 13.6 of this
 chapter to the county property tax assessment board of appeals.

(9) Subject to review and approval by the department of local
 government finance, the county assessor may modify the
 reassessment plan.

(b) A county may submit a reassessment plan that provides for
 reassessing more than twenty-five percent (25%) of all parcels of real
 property in the county in a particular year. A plan may provide that all
 parcels are to be reassessed in one (1) year. However, a plan must
 cover a four (4) year period. All real property in each group of parcels
 shall be reassessed under the county's reassessment plan once during
 each reassessment cycle.

(c) The reassessment of the first group of parcels under a county's
 reassessment plan shall begin on July 1, 2014, and shall be completed
 on or before ~~March~~ **January** 1, 2015.

(d) The department of local government finance may adopt rules to
 govern the reassessment of property under county reassessment plans.

SECTION 4. IC 6-1.1-4-4.6, AS AMENDED BY P.L.113-2010,
 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 JULY 1, 2014]: Sec. 4.6. (a) If a county assessor fails before July 2 of
 a particular year **that ends before January 1, 2015, and before June**
2 of a particular year that begins after December 31, 2014, for
 which an adjustment to the assessed value of real property applies
 under section 4.5 of this chapter to prepare and deliver to the county
 auditor a complete detailed list of all of the real property listed for
 taxation in the county as required by IC 6-1.1-5-14 and at least one
 hundred eighty (180) days have elapsed after the ~~July~~ **+** deadline
 specified in IC 6-1.1-5-14 for ~~delivering the county assessor to~~
deliver the list, the department of local government finance may
 develop annual adjustment factors under this section for that year. In
 developing annual adjustment factors under this section, the
 department of local government finance shall use data in its possession
 that is obtained from:



- (1) the county assessor; or
- (2) any of the sources listed in the rule, including county or state sales data, government studies, ratio studies, cost and depreciation tables, and other market analyses.

(b) Using the data described in subsection (a), the department of local government finance shall propose to establish annual adjustment factors for the affected tax districts for one (1) or more of the classes of real property. The proposal may provide for the equalization of annual adjustment factors in the affected township or county and in adjacent areas. The department of local government finance shall issue notice and provide opportunity for hearing in accordance with IC 6-1.1-14-4 and IC 6-1.1-14-9, as applicable, before issuing final annual adjustment factors.

(c) The annual adjustment factors finally determined by the department of local government finance after the hearing required under subsection (b) apply to the annual adjustment of real property under section 4.5 of this chapter for:

- (1) the assessment date; and
- (2) the real property;

specified in the final determination of the department of local government finance.

SECTION 5. IC 6-1.1-4-9, AS AMENDED BY P.L.112-2012, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. In order to maintain a just and equitable valuation of real property, the department of local government finance may adopt a resolution declaring its belief that it is necessary to reassess all or a portion of the real property located within this state. If the department of local government finance adopts a reassessment resolution and if either a township or a larger area is involved (for assessments before ~~March January~~ 1, 2015) or one (1) or more groups of parcels under the county's reassessment plan are involved (for assessments after ~~February 28, 2015~~), **December 31, 2014**), the department shall hold a hearing concerning the necessity for the reassessment at the courthouse of the county in which the property is located. The department of local government finance shall give notice of the time and place of the hearing in the manner provided in section 10 of this chapter. After the hearing, or if the area involved is less than a township (for assessments before ~~March January~~ 1, 2015) or is less than one (1) group of parcels under the county's reassessment plan (for assessments after ~~February 28, 2015~~), **December 31, 2014**), after the adoption of the resolution of the department of local government finance, the department may order any reassessment it deems



necessary. The order shall specify the time within which the reassessment must be completed and the date the reassessment will become effective.

SECTION 6. IC 6-1.1-4-21.4, AS ADDED BY P.L.112-2012, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 21.4. (a) The appraisals of the parcels in a group under a county's reassessment plan prepared under section 4.2 of this chapter that are subject to taxation must be completed as follows:

(1) The appraisal of one-third (1/3) of the parcels shall be completed before ~~October~~ **August** 1 of the year in which the group's reassessment under the county reassessment plan begins.

(2) The appraisal of two-thirds (2/3) of the parcels shall be completed before ~~January~~ **November** 1 of the year ~~following the year~~ in which the group's reassessment under the county reassessment plan begins.

(3) The appraisal of all the parcels shall be completed before ~~March~~ **January** 1 of the year following the year in which the group's reassessment under the county reassessment plan begins.

(b) If a county assessor employs a professional appraiser or a professional appraisal firm to make real property appraisals of a group of parcels under a county's reassessment plan, the professional appraiser or appraisal firm must file appraisal reports with the county assessor by the dates set forth in subsection (a).

SECTION 7. IC 6-1.1-4-22, AS AMENDED BY P.L.112-2012, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 22. (a) If any assessing official assesses or reassesses any real property under this article (including an annual adjustment under section 4.5 of this chapter), the official shall give notice to the taxpayer and the county assessor, by mail or by using electronic mail that includes a secure Internet link to the information in the notice, of the amount of the assessment or reassessment.

(b) Each township or county assessor shall provide the notice required by this section by the earlier of:

(1) ninety (90) days after the assessor:

(A) completes the appraisal of a parcel; or

(B) receives a report for a parcel from a professional appraiser or professional appraisal firm; or

(2) April 10 of the year containing the assessment date for which the assessment or reassessment first applies, **if the assessment date occurs in a year that ends before January 1, 2015, and February 10 of the year containing the assessment date for which the assessment or reassessment first applies, if the**



assessment date occurs in a year that begins after December 31, 2014.

(c) The notice required by this section is in addition to any required notice of assessment or reassessment included in a property tax statement under IC 6-1.1-22 or IC 6-1.1-22.5.

(d) The notice required by this section must include notice to the person of the opportunity to appeal the assessed valuation under IC 6-1.1-15-1.

(e) Notice of the opportunity to appeal the assessed valuation required under subsection (d) must include the following:

(1) The procedure that a taxpayer must follow to appeal the assessment or reassessment.

(2) The forms that must be filed for an appeal of the assessment or reassessment.

(3) Notice that an appeal of the assessment or reassessment requires evidence relevant to the true tax value of the taxpayer's property as of the assessment date.

SECTION 8. IC 6-1.1-4-25, AS AMENDED BY P.L.146-2008, SECTION 77, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 25. (a) Each township assessor and each county assessor shall keep the assessor's reassessment data and records current by securing the necessary field data and by making changes in the assessed value of real property as changes occur in the use of the real property. The township or county assessor's records shall at all times show the assessed value of real property in accordance with this chapter. The township assessor shall ensure that the county assessor has full access to the assessment records maintained by the township assessor.

(b) The township assessor (if any) in a county having a consolidated city, the county assessor if there are no township assessors in a county having a consolidated city, or the county assessor in every other county, shall:

(1) maintain an electronic data file of:

(A) the parcel characteristics and parcel assessments of all parcels; and

(B) the personal property return characteristics and assessments by return;

for each township in the county as of each assessment date;

(2) maintain the electronic file in a form that formats the information in the file with the standard data, field, and record coding required and approved by:

(A) the legislative services agency; and



(B) the department of local government finance;
 (3) transmit the data in the file with respect to the assessment date of each year before October 1 of ~~the~~ a year **ending before January 1, 2015, and before September 1 of a year beginning after December 31, 2014**, to:

- (A) the legislative services agency; and
 - (B) the department of local government finance;
- in a manner that meets the data export and transmission requirements in a standard format, as prescribed by the office of technology established by IC 4-13.1-2-1 and approved by the legislative services agency; and
- (4) resubmit the data in the form and manner required under this subsection, upon request of the legislative services agency or the department of local government finance, if data previously submitted under this subsection does not comply with the requirements of this subsection, as determined by the legislative services agency or the department of local government finance.

An electronic data file maintained for a particular assessment date may not be overwritten with data for a subsequent assessment date until a copy of an electronic data file that preserves the data for the particular assessment date is archived in the manner prescribed by the office of technology established by IC 4-13.1-2-1 and approved by the legislative services agency.

SECTION 9. IC 6-1.1-4-39, AS AMENDED BY P.L.146-2012, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 39. (a) For assessment dates after February 28, 2005, except as provided in subsections (c) and (e), the true tax value of real property regularly used to rent or otherwise furnish residential accommodations for periods of thirty (30) days or more and that has more than four (4) rental units is the lowest valuation determined by applying each of the following appraisal approaches:

- (1) Cost approach that includes an estimated reproduction or replacement cost of buildings and land improvements as of the date of valuation together with estimates of the losses in value that have taken place due to wear and tear, design and plan, or neighborhood influences.
- (2) Sales comparison approach, using data for generally comparable property.
- (3) Income capitalization approach, using an applicable capitalization method and appropriate capitalization rates that are developed and used in computations that lead to an indication of value commensurate with the risks for the subject property use.



(b) The gross rent multiplier method is the preferred method of valuing:

- (1) real property that has at least one (1) and not more than four (4) rental units; and
- (2) mobile homes assessed under IC 6-1.1-7.

(c) A township assessor (if any) or the county assessor is not required to appraise real property referred to in subsection (a) using the three (3) appraisal approaches listed in subsection (a) if the assessor and the taxpayer agree before notice of the assessment is given to the taxpayer under section 22 of this chapter to the determination of the true tax value of the property by the assessor using one (1) of those appraisal approaches.

(d) To carry out this section, the department of local government finance may adopt rules for assessors to use in gathering and processing information for the application of the income capitalization method and the gross rent multiplier method. If a taxpayer wishes to have the income capitalization method or the gross rent multiplier method used in the initial formulation of the assessment of the taxpayer's property, the taxpayer must submit the necessary information to the assessor not later than the ~~March 1~~ assessment date. However, the taxpayer is not prejudiced in any way and is not restricted in pursuing an appeal, if the data is not submitted by ~~March 1~~. **the assessment date.** A taxpayer must verify under penalties for perjury any information provided to the township or county assessor for use in the application of either method. All information related to earnings, income, profits, losses, or expenditures that is provided to the assessor under this section is confidential under IC 6-1.1-35-9 to the same extent as information related to earnings, income, profits, losses, or expenditures of personal property is confidential under IC 6-1.1-35-9.

(e) The true tax value of low income rental property (as defined in section 41 of this chapter) is not determined under subsection (a). The assessment method prescribed in section 41 of this chapter is the exclusive method for assessment of that property. This subsection does not impede any rights to appeal an assessment.

SECTION 10. IC 6-1.1-4-43 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: **Sec. 43. The assessed value of residential real property or a mobile home that is not assessed as real property is not to be changed as a result of an improvement that:**

- (1) consists of a solar, wind, geothermal, or hydroelectric heating or cooling system; and**
- (2) replaces an existing heating or cooling system.**



SECTION 11. IC 6-1.1-12-26, AS AMENDED BY P.L.113-2010, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 26. (a) The owner of real property, or a mobile home which is not assessed as real property, which is equipped with a solar energy heating or cooling system may have deducted annually from the assessed value of the real property or mobile home an amount which is equal to the **percentage specified in subsection (e) of the** out-of-pocket expenditures by the owner (or a previous owner) of the real property or mobile home for:

(1) the components; and

(2) the labor involved in installing the components; that are unique to the system and that are needed to collect, store, or distribute solar energy.

(b) The tangible property to which subsection (a) applies includes a solar thermal air system and any solar energy heating or cooling system used for:

(1) domestic hot water or space heat, or both, including pool heating; or

(2) preheating for an industrial process.

(c) Subsection (a) does not apply to tangible property that would not be subject to assessment and taxation under this article if this section did not apply.

(d) For purposes of subsection (a), proof of out-of-pocket expenditures may be demonstrated by invoices or other evidence of a purchase and installation, as determined under rules or guidelines prescribed by the department of local government finance.

(e) The percentage to be used in this section for:

(1) residential real property or a mobile home that is not assessed as real property is fifty percent (50%); and

(2) any property not covered by subdivision (1) is one hundred percent (100%).

SECTION 12. IC 6-1.1-12-29, AS AMENDED BY P.L.46-2011, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 29. (a) This section does not apply to a wind power device that is owned or operated by:

(1) a public utility (as defined in IC 8-1-2-1(a)); or

(2) another entity that provides electricity at wholesale or retail for consideration, other than a person who participates in a net metering program offered by an electric utility.

This subsection shall be interpreted to clarify and not to change the general assembly's intent with respect to this section.

(b) For purposes of this section, "wind power device" means a



device, such as a windmill or a wind turbine, that is designed to utilize the kinetic energy of moving air to provide mechanical energy or to produce electricity.

(c) The owner of real property, or a mobile home that is not assessed as real property, that is equipped with a wind power device is entitled to an annual property tax deduction. The amount of the deduction equals:

- (1) for residential real property or a mobile home that is not assessed as real property, fifty percent (50%) of the owner's out-of-pocket expenditures on the wind power device; and**
- (2) for property not covered by subdivision (1), the remainder of:**

(+) **(A)** the assessed value of the real property or mobile home with the wind power device included; minus

(-) **(B)** the assessed value of the real property or mobile home without the wind power device.

SECTION 13. IC 6-1.1-12-33, AS AMENDED BY P.L.144-2008, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 33. (a) For purposes of this section "hydroelectric power device" means a device which is installed after December 31, 1981, and is designed to utilize the kinetic power of moving water to provide mechanical energy or to produce electricity.

(b) The owner of real property, or a mobile home that is not assessed as real property, that is equipped with a hydroelectric power device is annually entitled to a property tax deduction. The amount of the deduction equals:

- (1) for residential real property or a mobile home that is not assessed as real property, fifty percent (50%) of the owner's out-of-pocket expenditures on the hydroelectric power device; and**
- (2) for property not covered by subdivision (1), the remainder of:**

(+) **(A)** the assessed value of the real property or mobile home with the hydroelectric power device; minus

(-) **(B)** the assessed value of the real property or mobile home without the hydroelectric power device.

(c) The deduction provided by this section applies only if the property owner:

- (1) owns the real property or mobile home; or
- (2) is buying the real property or mobile home under contract;

on the date the statement is filed under section 35.5 of this chapter.

SECTION 14. IC 6-1.1-12-34, AS AMENDED BY P.L.144-2008,



SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 34. (a) For purposes of this section, "geothermal energy heating or cooling device" means a device that is installed after December 31, 1981, and is designed to utilize the natural heat from the earth to provide hot water, produce electricity, or generate heating or cooling.

(b) The owner of real property, or a mobile home that is not assessed as real property, that is equipped with a geothermal energy heating or cooling device is annually entitled to a property tax deduction. The amount of the deduction equals:

(1) for residential real property or a mobile home that is not assessed as real property, fifty percent (50%) of the owner's out-of-pocket expenditures on the geothermal heating or cooling device; and

(2) for property not covered by subdivision (1), the remainder of:

(1) (A) the assessed value of the real property or mobile home with the geothermal heating or cooling device; minus

(2) (B) the assessed value of the real property or mobile home without the geothermal heating or cooling device.

(c) The deduction provided by this section applies only if the property owner:

(1) owns the real property or mobile home; or

(2) is buying the real property or mobile home under contract; on the date the statement is filed under section 35.5 of this chapter.

SECTION 15. IC 6-1.1-12-47 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 47. (a) The following definitions apply throughout this section:

(1) "Designating body" has the meaning set forth in IC 6-1.1-12.1-1(7).

(2) "Eligible vacant building" has the meaning set forth in IC 6-1.1-12.1-1(17).

(b) A designating body may grant a deduction under this section to a property owner of a building located in an area in which the designating body has jurisdiction in order to prevent the building from becoming an eligible vacant building, subject to this section and section 48 of this chapter.

(c) A property owner that wishes to apply for a deduction under this section must provide a statement of benefits to the designating body.

(d) A property owner must submit a completed statement of



1 benefits form to the designating body before the property owner or
 2 a tenant vacates the building for which the property owner wishes
 3 to claim a deduction under this section.

4 (e) The department of local government finance shall prescribe
 5 a form for the statement of benefits required under this section.
 6 The statement of benefits must include the following information:

7 (1) A description of the building that the property owner or a
 8 tenant will continue to occupy if granted a deduction under
 9 this section.

10 (2) An estimate of the number of individuals who will be
 11 employed or whose employment will be retained by the
 12 property owner or the tenant as a result of the continued
 13 occupation of the building, and an estimate of the annual
 14 salaries of those individuals.

15 (f) A statement of benefits is a public record that may be
 16 inspected and copied under IC 5-14-3.

17 (g) The designating body shall review the statement of benefits
 18 required by subsection (c). The designating body shall determine
 19 whether a deduction should be allowed, after the designating body
 20 has made the following findings:

21 (1) Whether the estimate of the number of individuals who
 22 will be employed or whose employment will be retained
 23 reasonably can be expected to result from continued
 24 occupation of the building.

25 (2) Whether the estimate of the annual salaries of those
 26 individuals who will be employed or whose employment will
 27 be retained reasonably can be expected to result from
 28 continued occupation of the building.

29 (3) Whether any other benefits about which information was
 30 requested or offered are benefits that reasonably can be
 31 expected to result from continued occupation of the building.

32 (4) Whether continued occupation of the building will avoid
 33 reduction of the tax base.

34 (5) Whether it is likely that failure to grant the property
 35 owner the deduction under this section will result in the
 36 building becoming an eligible vacant building.

37 (6) Whether the totality of benefits is sufficient to justify the
 38 deduction.

39 A designating body may not approve a deduction under this section
 40 unless the findings required by this subsection are made in the
 41 affirmative.

42 (h) Except as otherwise provided in this section, the owner of a



1 building is entitled to a deduction from the assessed value of the
 2 building under this section if the designating body approves the
 3 deduction and the property owner or a tenant continues to occupy
 4 the building. The property owner is entitled to the deduction:

5 (1) for the year immediately succeeding the year in which the
 6 designating body approves the property owner to receive the
 7 deduction provided by this section; and

8 (2) for subsequent years as determined under subsection (i).

9 (i) For each deduction the designating body approves under this
 10 section, the designating body shall determine:

11 (1) the number of years for which a property owner is entitled
 12 to a deduction under this section, not to exceed ten (10) years,
 13 subject to IC 6-1.1-12.1-15; and

14 (2) the schedule of percentages to be used in calculating the
 15 deduction under this section for each year the property owner
 16 is entitled to the deduction.

17 These determinations shall be made by a resolution adopted not
 18 more than sixty (60) days after the designating body receives a
 19 copy of the property owner's deduction application from the
 20 county auditor. The designating body shall send a certified copy of
 21 the resolution to the county auditor, who shall make the deduction
 22 as provided in section 48 of this chapter.

23 (j) Except as provided in subsection (k), and subject to
 24 IC 6-1.1-12.1-15, the amount of the deduction the property owner
 25 is entitled to receive under this section for a particular year equals
 26 the product of:

27 (1) the assessed value of the building or part of the building
 28 that is occupied by the property owner or a tenant; multiplied
 29 by

30 (2) the percentage for the year set forth in the schedule
 31 determined under subsection (i).

32 (k) The amount of the deduction determined under subsection
 33 (j) shall be adjusted in accordance with this subsection in the
 34 following circumstances:

35 (1) If:

36 (A) a general reassessment of real property under
 37 IC 6-1.1-4-4; or

38 (B) a reassessment under a county's reassessment plan
 39 prepared under IC 6-1.1-4-4.2;

40 occurs within the period of the deduction, the amount of the
 41 assessed value determined under subsection (j)(1) shall be
 42 adjusted to reflect the percentage increase or decrease in



assessed valuation that resulted from the reassessment.

(2) If an appeal of an assessment is approved and results in a reduction of the assessed value of the property, the amount of a deduction under this section shall be adjusted to reflect the percentage decrease that resulted from the appeal.

(l) The maximum amount of a deduction under this section may not exceed the lesser of:

(1) the annual amount for which the building was leased or rented by the property owner during the period that a tenant occupied the building; or

(2) an amount, as determined by the designating body in its discretion, that is equal to the annual amount for which similar buildings in the county or contiguous counties were leased or rented or offered for lease or rent during the period the property owner or a tenant occupied the building.

(m) The department of local government finance may adopt rules under IC 4-22-2 to implement this section.

SECTION 16. IC 6-1.1-12-48 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 48. (a) The definitions in section 47(a) of this chapter apply throughout this section.

(b) A property owner that desires to obtain the deduction provided by section 47 of this chapter must file a deduction application, on forms prescribed by the department of local government finance, with the auditor of the county in which the building is located. Except as otherwise provided in this section, the deduction application must be filed before May 10 of the year following the year in which the designating body approves the deduction under section 47 of this chapter.

(c) If notice of the assessed valuation or new assessment for a year is not given to the property owner before April 10 of that year, the deduction application required by this section may be filed not later than thirty (30) days after the date the notice is mailed to the property owner at the address shown on the records of the township assessor or county assessor.

(d) The deduction application required by this section must contain the following information:

(1) The name of the property owner and, if applicable, the tenant.

(2) A description of the property for which a deduction is claimed.

(3) The amount of the deduction claimed for the first year of



1 the deduction.

2 (4) Any other information required by the department of local
3 government finance or the designating body.

4 (e) A deduction application filed under this section applies to the
5 year following the year in which the designating body approves the
6 deduction under section 47 of this chapter and for the number of
7 immediately following years specified in a resolution described in
8 section 47(i) of this chapter, without an additional deduction
9 application being filed.

10 (f) A property owner that desires to obtain the deduction
11 provided by section 47 of this chapter but that did not file a
12 deduction application within the dates prescribed in subsection (b)
13 or (c) may file a deduction application between January 1 and May
14 10 of a subsequent year. A deduction application filed under this
15 subsection applies to the year in which the deduction application
16 is filed and the number of immediately following years specified in
17 a resolution described in section 47(i) of this chapter, without an
18 additional deduction application being filed. The amount of the
19 deduction under this subsection is the amount that would have
20 been applicable for the year under section 47 of this chapter if the
21 deduction application had been filed in accordance with subsection
22 (b) or (c).

23 (g) Subject to subsection (j), the county auditor shall do the
24 following:

25 (1) If a determination concerning the number of years the
26 deduction is allowed has been made in the resolution adopted
27 under section 47(i) of this chapter, the county auditor shall
28 make the appropriate deduction.

29 (2) If a determination concerning the number of years the
30 deduction is allowed has not been made in the resolution
31 adopted under section 47(i) of this chapter, the county auditor
32 shall send a copy of the deduction application to the
33 designating body. Upon receipt of the resolution stating the
34 number of years the deduction will be allowed, the county
35 auditor shall make the appropriate deduction.

36 (h) The amount and period of the deduction provided by section
37 47 of this chapter are not affected by a change in the ownership of
38 the building or a change in the tenant, if the new property owner
39 or the new tenant files a deduction application in the manner
40 provided by subsection (f).

41 (i) Before the county auditor acts under subsection (g), the
42 county auditor may request that the township assessor of the



1 township in which the building is located, or the county assessor if
 2 there is no township assessor for the township, review the
 3 deduction application.

4 (j) A property owner may appeal a determination of the county
 5 auditor under subsection (g) by requesting in writing a preliminary
 6 conference with the county auditor not more than forty-five (45)
 7 days after the county auditor gives the property owner notice of
 8 the determination. An appeal under this subsection shall be
 9 processed and determined in the same manner that an appeal is
 10 processed and determined under IC 6-1.1-15.

11 (k) In addition to the requirements of subsection (d), a property
 12 owner that files a deduction application under this section must
 13 provide the county auditor and the designating body with
 14 information showing the extent to which there has been compliance
 15 with the statement of benefits approved under section 47 of this
 16 chapter. This information must be included in the deduction
 17 application and must also be updated each year in which the
 18 deduction is applicable:

- 19 (1) at the same time that the property owner or the tenant
- 20 files a personal property tax return for property located at the
- 21 building for which the deduction was granted; or
- 22 (2) if subdivision (1) does not apply, before May 15 of each
- 23 year.

24 (l) The following information is a public record if filed under
 25 this section:

- 26 (1) The name and address of the property owner.
- 27 (2) The location and description of the building for which the
- 28 deduction is granted.
- 29 (3) Any information concerning the number of employees at
- 30 the building for which the deduction was granted, including
- 31 estimated totals that were provided as part of the statement
- 32 of benefits.
- 33 (4) Any information concerning the total of the salaries paid
- 34 to the employees described in subdivision (3), including
- 35 estimated totals that are provided as part of the statement of
- 36 benefits.
- 37 (5) Any information concerning the assessed value of the
- 38 building, including estimates that are provided as part of the
- 39 statement of benefits.

40 Information concerning the specific salaries paid to individual
 41 employees by the property owner or tenant is confidential.

42 SECTION 17. IC 6-1.1-12.1-1, AS AMENDED BY P.L.288-2013,



SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. For purposes of this chapter:

(1) "Economic revitalization area" means an area which is within the corporate limits of a city, town, or county which has become undesirable for, or impossible of, normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings, or other factors which have impaired values or prevent a normal development of property or use of property. The term "economic revitalization area" also includes:

(A) any area where a facility or a group of facilities that are technologically, economically, or energy obsolete are located and where the obsolescence may lead to a decline in employment and tax revenues; and

(B) a residentially distressed area, except as otherwise provided in this chapter.

(2) "City" means any city in this state, and "town" means any town incorporated under IC 36-5-1.

(3) "New manufacturing equipment" means tangible personal property that a deduction applicant:

(A) installs on or before the approval deadline determined under section 9 of this chapter, in an area that is declared an economic revitalization area in which a deduction for tangible personal property is allowed;

(B) uses in the direct production, manufacture, fabrication, assembly, extraction, mining, processing, refining, or finishing of other tangible personal property, including but not limited to use to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products;

(C) acquires for use as described in clause (B):

(i) in an arms length transaction from an entity that is not an affiliate of the deduction applicant, if the tangible personal property has been previously used in Indiana before the installation described in clause (A); or

(ii) in any manner, if the tangible personal property has never been previously used in Indiana before the installation described in clause (A); and

(D) has never used for any purpose in Indiana before the installation described in clause (A).

(4) "Property" means a building or structure, but does not include



land.

(5) "Redevelopment" means the construction of new structures, in economic revitalization areas, either:

(A) on unimproved real estate; or

(B) on real estate upon which a prior existing structure is demolished to allow for a new construction.

(6) "Rehabilitation" means the remodeling, repair, or betterment of property in any manner or any enlargement or extension of property.

(7) "Designating body" means the following:

(A) For a county that does not contain a consolidated city, the fiscal body of the county, city, or town.

(B) For a county containing a consolidated city, the metropolitan development commission.

(8) "Deduction application" means:

(A) the application filed in accordance with section 5 of this chapter by a property owner who desires to obtain the deduction provided by section 3 of this chapter;

(B) the application filed in accordance with section 5.4 of this chapter by a person who desires to obtain the deduction provided by section 4.5 of this chapter; or

(C) the application filed in accordance with section 5.3 of this chapter by a property owner that desires to obtain the deduction provided by section 4.8 of this chapter.

(9) "Designation application" means an application that is filed with a designating body to assist that body in making a determination about whether a particular area should be designated as an economic revitalization area.

(10) "Hazardous waste" has the meaning set forth in IC 13-11-2-99(a). The term includes waste determined to be a hazardous waste under IC 13-22-2-3(b).

(11) "Solid waste" has the meaning set forth in IC 13-11-2-205(a). However, the term does not include dead animals or any animal solid or semisolid wastes.

(12) "New research and development equipment" means tangible personal property that:

(A) a deduction applicant installs on or before the approval deadline determined under section 9 of this chapter, in an economic revitalization area in which a deduction for tangible personal property is allowed;

(B) consists of:

(i) laboratory equipment;



- (ii) research and development equipment;
- (iii) computers and computer software;
- (iv) telecommunications equipment; or
- (v) testing equipment;

(C) the deduction applicant uses in research and development activities devoted directly and exclusively to experimental or laboratory research and development for new products, new uses of existing products, or improving or testing existing products;

(D) the deduction applicant acquires for purposes described in this subdivision:

- (i) in an arms length transaction from an entity that is not an affiliate of the deduction applicant, if the tangible personal property has been previously used in Indiana before the installation described in clause (A); or
- (ii) in any manner, if the tangible personal property has never been previously used in Indiana before the installation described in clause (A); and

(E) the deduction applicant has never used for any purpose in Indiana before the installation described in clause (A).

The term does not include equipment installed in facilities used for or in connection with efficiency surveys, management studies, consumer surveys, economic surveys, advertising or promotion, or research in connection with literacy, history, or similar projects.

(13) "New logistical distribution equipment" means tangible personal property that:

(A) a deduction applicant installs on or before the approval deadline determined under section 9 of this chapter, in an economic revitalization area in which a deduction for tangible personal property is allowed;

(B) consists of:

- (i) racking equipment;
- (ii) scanning or coding equipment;
- (iii) separators;
- (iv) conveyors;
- (v) fork lifts or lifting equipment (including "walk behinds");
- (vi) transitional moving equipment;
- (vii) packaging equipment;
- (viii) sorting and picking equipment; or
- (ix) software for technology used in logistical distribution;



(C) the deduction applicant acquires for the storage or distribution of goods, services, or information:

(i) in an arms length transaction from an entity that is not an affiliate of the deduction applicant, if the tangible personal property has been previously used in Indiana before the installation described in clause (A); and

(ii) in any manner, if the tangible personal property has never been previously used in Indiana before the installation described in clause (A); and

(D) the deduction applicant has never used for any purpose in Indiana before the installation described in clause (A).

(14) "New information technology equipment" means tangible personal property that:

(A) a deduction applicant installs on or before the approval deadline determined under section 9 of this chapter, in an economic revitalization area in which a deduction for tangible personal property is allowed;

(B) consists of equipment, including software, used in the fields of:

(i) information processing;

(ii) office automation;

(iii) telecommunication facilities and networks;

(iv) informatics;

(v) network administration;

(vi) software development; and

(vii) fiber optics;

(C) the deduction applicant acquires in an arms length transaction from an entity that is not an affiliate of the deduction applicant; and

(D) the deduction applicant never used for any purpose in Indiana before the installation described in clause (A).

(15) "Deduction applicant" means an owner of tangible personal property who makes a deduction application.

(16) "Affiliate" means an entity that effectively controls or is controlled by a deduction applicant or is associated with a deduction applicant under common ownership or control, whether by shareholdings or other means.

(17) "Eligible vacant building" means a building that:

(A) **either:**

(i) has the characteristics specified in a resolution adopted by a designating body, as provided in section 2(g)(4) of this chapter, for use of the term in the area in



1 **which the designating body has jurisdiction; or**

2 **(ii) is zoned for commercial, office, or industrial purposes,**

3 **if item (i) does not apply; and**

4 (B) is unoccupied for at least one (1) year before the owner of
5 the building or a tenant of the owner occupies the building, as
6 evidenced by a valid certificate of occupancy, paid utility
7 receipts, executed lease agreements, or any other evidence of
8 occupation that the department of local government finance
9 requires. **However, the requirement of this clause is not**
10 **contravened by the short term occupancy of the building**
11 **during the one (1) year period by the property owner or a**
12 **tenant for one (1) or more tenancies, each of which does**
13 **not exceed two (2) months in duration.**

14 SECTION 18. IC 6-1.1-12.1-2, AS AMENDED BY P.L.288-2013,
15 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
16 JULY 1, 2014]: Sec. 2. (a) A designating body may find that a
17 particular area within its jurisdiction is an economic revitalization area.
18 However, the deduction provided by this chapter for economic
19 revitalization areas not within a city or town shall not be available to
20 retail businesses.

21 (b) In a county containing a consolidated city or within a city or
22 town, a designating body may find that a particular area within its
23 jurisdiction is a residentially distressed area. Designation of an area as
24 a residentially distressed area has the same effect as designating an
25 area as an economic revitalization area, except that the amount of the
26 deduction shall be calculated as specified in section 4.1 of this chapter
27 and the deduction is allowed for not more than the number of years
28 specified by the designating body under section 17 of this chapter. In
29 order to declare a particular area a residentially distressed area, the
30 designating body must follow the same procedure that is required to
31 designate an area as an economic revitalization area and must make all
32 the following additional findings or all the additional findings
33 described in subsection (c):

34 (1) The area is comprised of parcels that are either unimproved or
35 contain only one (1) or two (2) family dwellings or multifamily
36 dwellings designed for up to four (4) families, including accessory
37 buildings for those dwellings.

38 (2) Any dwellings in the area are not permanently occupied and
39 are:

40 (A) the subject of an order issued under IC 36-7-9; or

41 (B) evidencing significant building deficiencies.

42 (3) Parcels of property in the area:



(A) have been sold and not redeemed under IC 6-1.1-24 and

IC 6-1.1-25; or

(B) are owned by a unit of local government.

However, in a city in a county having a population of more than two hundred fifty thousand (250,000) but less than two hundred seventy thousand (270,000), the designating body is only required to make one (1) of the additional findings described in this subsection or one (1) of the additional findings described in subsection (c).

(c) In a county containing a consolidated city or within a city or town, a designating body that wishes to designate a particular area a residentially distressed area may make the following additional findings as an alternative to the additional findings described in subsection (b):

(1) A significant number of dwelling units within the area are not permanently occupied or a significant number of parcels in the area are vacant land.

(2) A significant number of dwelling units within the area are:

(A) the subject of an order issued under IC 36-7-9; or

(B) evidencing significant building deficiencies.

(3) The area has experienced a net loss in the number of dwelling units, as documented by census information, local building and demolition permits, or certificates of occupancy, or the area is owned by Indiana or the United States.

(4) The area (plus any areas previously designated under this subsection) will not exceed ten percent (10%) of the total area within the designating body's jurisdiction.

However, in a city in a county having a population of more than two hundred fifty thousand (250,000) but less than two hundred seventy thousand (270,000), the designating body is only required to make one (1) of the additional findings described in this subsection as an alternative to one (1) of the additional findings described in subsection (b).

(d) A designating body is required to attach the following conditions to the grant of a residentially distressed area designation:

(1) The deduction will not be allowed unless the dwelling is rehabilitated to meet local code standards for habitability.

(2) If a designation application is filed, the designating body may require that the redevelopment or rehabilitation be completed within a reasonable period of time.

(e) To make a designation described in subsection (a) or (b), the designating body shall use procedures prescribed in section 2.5 of this chapter.



(f) The property tax deductions provided by section 3, 4.5, or 4.8 of this chapter are only available within an area which the designating body finds to be an economic revitalization area.

(g) The designating body may adopt a resolution establishing general standards to be used, along with the requirements set forth in the definition of economic revitalization area, by the designating body in finding an area to be an economic revitalization area. The standards must have a reasonable relationship to the development objectives of the area in which the designating body has jurisdiction. The following four (4) sets of standards may be established:

(1) One (1) relative to the deduction under section 3 of this chapter for economic revitalization areas that are not residentially distressed areas.

(2) One (1) relative to the deduction under section 3 of this chapter for residentially distressed areas.

(3) One (1) relative to the deduction allowed under section 4.5 of this chapter.

(4) One (1) relative to the deduction allowed under section 4.8 of this chapter, **which may include a specification of the characteristics that a building must have to qualify as an eligible vacant building in the area in which the designating body has jurisdiction.**

(h) A designating body may impose a fee for filing a designation application for a person requesting the designation of a particular area as an economic revitalization area. The fee may be sufficient to defray actual processing and administrative costs. However, the fee charged for filing a designation application for a parcel that contains one (1) or more owner-occupied, single-family dwellings may not exceed the cost of publishing the required notice.

(i) In declaring an area an economic revitalization area, the designating body may:

(1) limit the time period to a certain number of calendar years during which the economic revitalization area shall be so designated;

(2) limit the type of deductions that will be allowed within the economic revitalization area to the deduction allowed under section 3 of this chapter, the deduction allowed under section 4.5 of this chapter, the deduction allowed under section 4.8 of this chapter, or any combination of these deductions;

(3) limit the dollar amount of the deduction that will be allowed with respect to new manufacturing equipment, new research and development equipment, new logistical distribution equipment,



and new information technology equipment;
 (4) limit the dollar amount of the deduction that will be allowed with respect to redevelopment and rehabilitation occurring in areas that are designated as economic revitalization areas;
 (5) limit the dollar amount of the deduction that will be allowed under section 4.8 of this chapter with respect to the occupation of an eligible vacant building; or
 (6) impose reasonable conditions related to the purpose of this chapter or to the general standards adopted under subsection (g) for allowing the deduction for the redevelopment or rehabilitation of the property or the installation of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

To exercise one (1) or more of these powers, a designating body must include this fact in the resolution passed under section 2.5 of this chapter.

(j) Notwithstanding any other provision of this chapter, if a designating body limits the time period during which an area is an economic revitalization area, that limitation does not:

(1) prevent a taxpayer from obtaining a deduction for new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment installed on or before the approval deadline determined under section 9 of this chapter, but after the expiration of the economic revitalization area if the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment was described in a statement of benefits submitted to and approved by the designating body in accordance with section 4.5 of this chapter before the expiration of the economic revitalization area designation; or

(2) limit the length of time a taxpayer is entitled to receive a deduction to a number of years that is less than the number of years designated under section 17 of this chapter.

(k) In addition to the other requirements of this chapter, if property located in an economic revitalization area is also located in an allocation area (as defined in IC 36-7-14-39 or IC 36-7-15.1-26), a taxpayer's statement of benefits concerning that property may not be approved under this chapter unless a resolution approving the statement of benefits is adopted by the legislative body of the unit that approved the designation of the allocation area.



1 SECTION 19. IC 6-1.1-12.1-4.8, AS AMENDED BY P.L.288-2013,
 2 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2014]: Sec. 4.8. (a) A property owner that is an applicant for
 4 a deduction under this section must provide a statement of benefits to
 5 the designating body.

6 (b) If the designating body requires information from the property
 7 owner for the designating body's use in deciding whether to designate
 8 an economic revitalization area, the property owner must provide the
 9 completed statement of benefits form to the designating body before
 10 the hearing required by section 2.5(c) of this chapter. Otherwise, the
 11 property owner must submit the completed statement of benefits form
 12 to the designating body before the occupation of the eligible vacant
 13 building for which the property owner desires to claim a deduction.

14 (c) The department of local government finance shall prescribe a
 15 form for the statement of benefits. The statement of benefits must
 16 include the following information:

17 (1) A description of the eligible vacant building that the property
 18 owner or a tenant of the property owner will occupy.

19 (2) An estimate of the number of individuals who will be
 20 employed or whose employment will be retained by the property
 21 owner or the tenant as a result of the occupation of the eligible
 22 vacant building, and an estimate of the annual salaries of those
 23 individuals.

24 (3) Information regarding efforts by the owner or a previous
 25 owner to sell, lease, or rent the eligible vacant building during the
 26 period the eligible vacant building was unoccupied.

27 (4) Information regarding the amount for which the eligible
 28 vacant building was offered for sale, lease, or rent by the owner
 29 or a previous owner during the period the eligible vacant building
 30 was unoccupied.

31 (d) With the approval of the designating body, the statement of
 32 benefits may be incorporated in a designation application. A statement
 33 of benefits is a public record that may be inspected and copied under
 34 IC 5-14-3.

35 (e) The designating body must review the statement of benefits
 36 required by subsection (a). The designating body shall determine
 37 whether an area should be designated an economic revitalization area
 38 or whether a deduction should be allowed, after the designating body
 39 has made the following findings:

40 (1) Whether the estimate of the number of individuals who will be
 41 employed or whose employment will be retained can be
 42 reasonably expected to result from the proposed occupation of the



eligible vacant building.

(2) Whether the estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed occupation of the eligible vacant building.

(3) Whether any other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed occupation of the eligible vacant building.

(4) Whether the occupation of the eligible vacant building will increase the tax base and assist in the rehabilitation of the economic revitalization area.

(5) Whether the totality of benefits is sufficient to justify the deduction.

A designating body may not designate an area an economic revitalization area or approve a deduction under this section unless the findings required by this subsection are made in the affirmative.

(f) Except as otherwise provided in this section, the owner of an eligible vacant building located in an economic revitalization area is entitled to a deduction from the assessed value of the building if the property owner or a tenant ~~of the property owner~~ occupies the eligible vacant building and uses it for commercial or industrial purposes. The property owner is entitled to the deduction:

(1) for the first year in which the property owner or a tenant ~~of the property owner~~ occupies the eligible vacant building and uses it for commercial or industrial purposes; and

(2) for subsequent years determined under subsection (g).

(g) The designating body shall determine under section 17 of this chapter the number of years for which a property owner is entitled to a deduction under this section. This determination shall be made:

(1) as part of the resolution adopted under section 2.5 of this chapter; or

(2) by a resolution adopted not more than sixty (60) days after the designating body receives a copy of the property owner's deduction application from the county auditor.

A certified copy of a resolution under subdivision (2) shall be sent to the county auditor, who shall make the deduction as provided in section 5.3 of this chapter. A determination concerning the number of years the deduction is allowed that is made under subdivision (1) is final and may not be changed by using the procedure under subdivision (2).

(h) Except as provided in section 2(i)(5) of this chapter, and subject to section 15 of this chapter, the amount of the deduction the property owner is entitled to receive under this section for a particular year



1 equals the product of:

2 (1) the assessed value of the building or part of the building that
 3 is occupied by the property owner or a tenant; ~~of the property~~
 4 ~~owner~~; multiplied by

5 (2) the percentage determined by the designating body under
 6 section 17 of this chapter.

7 (i) The amount of the deduction determined under subsection (h)
 8 shall be adjusted in accordance with this subsection in the following
 9 circumstances:

10 (1) If:

11 (A) a general reassessment of real property under IC 6-1.1-4-4;
 12 or

13 (B) a reassessment under a county's reassessment plan
 14 prepared under IC 6-1.1-4-4.2;

15 occurs within the period of the deduction, the amount of the
 16 assessed value determined under subsection (h)(1) shall be
 17 adjusted to reflect the percentage increase or decrease in assessed
 18 valuation that resulted from the reassessment.

19 (2) If an appeal of an assessment is approved and results in a
 20 reduction of the assessed value of the property, the amount of a
 21 deduction under this section shall be adjusted to reflect the
 22 percentage decrease that resulted from the appeal.

23 (j) The department of local government finance may adopt rules
 24 under IC 4-22-2 to implement this section.

25 SECTION 20. IC 6-1.1-12.1-5.3, AS AMENDED BY P.L.146-2008,
 26 SECTION 125, IS AMENDED TO READ AS FOLLOWS
 27 [EFFECTIVE JULY 1, 2014]: Sec. 5.3. (a) A property owner that
 28 desires to obtain the deduction provided by section 4.8 of this chapter
 29 must file a deduction application, on forms prescribed by the
 30 department of local government finance, with the auditor of the county
 31 in which the eligible vacant building is located. Except as otherwise
 32 provided in this section, the deduction application must be filed before
 33 May 10 of the year in which the property owner or a tenant ~~of the~~
 34 ~~property owner~~ initially occupies the eligible vacant building.

35 (b) If notice of the assessed valuation or new assessment for a year
 36 is not given to the property owner before April 10 of that year, the
 37 deduction application required by this section may be filed not later
 38 than thirty (30) days after the date the notice is mailed to the property
 39 owner at the address shown on the records of the township or county
 40 assessor.

41 (c) The deduction application required by this section must contain
 42 the following information:



(1) The name of the property owner and, if applicable, the property owner's tenant.

(2) A description of the property for which a deduction is claimed.

(3) The amount of the deduction claimed for the first year of the deduction.

(4) Any other information required by the department of local government finance or the designating body.

(d) A deduction application filed under this section applies to the year in which the property owner or a tenant of the property owner occupies the eligible vacant building and ~~in for the~~ **number of immediately following year if the deduction is allowed for a two (2) year period; years specified in a resolution described in section 4.8(g) of this chapter,** without an additional deduction application being filed.

(e) A property owner that desires to obtain the deduction provided by section 4.8 of this chapter but that did not file a deduction application within the dates prescribed in subsection (a) or (b) may file a deduction application between March 1 and May 10 of a subsequent year. A deduction application filed under this subsection applies to the year in which the deduction application is filed and the **number of immediately following year if the deduction is allowed for a two (2) year period; years specified in a resolution described in section 4.8(g) of this chapter,** without an additional deduction application being filed. The amount of the deduction under this subsection is the amount that would have been applicable to the year under section 4.8 of this chapter if the deduction application had been filed in accordance with subsection (a) or (b).

(f) Subject to subsection (i), the county auditor shall do the following:

(1) If a determination concerning the number of years the deduction is allowed has been made in the resolution adopted under section 2.5 of this chapter, the county auditor shall make the appropriate deduction.

(2) If a determination concerning the number of years the deduction is allowed has not been made in the resolution adopted under section 2.5 of this chapter, the county auditor shall send a copy of the deduction application to the designating body. Upon receipt of the resolution stating the number of years the deduction will be allowed, the county auditor shall make the appropriate deduction.

(g) The amount and period of the deduction provided by section 4.8 of this chapter are not affected by a change in the ownership of the



1 eligible vacant building or a change in the ~~property owner's~~ tenant, if
 2 the new property owner or the new tenant:

3 (1) continues to occupy the eligible vacant building in compliance
 4 with any standards established under section 2(g) of this chapter;
 5 and

6 (2) files an application in the manner provided by subsection (e).

7 (h) Before the county auditor acts under subsection (f), the county
 8 auditor may request that the township assessor of the township in
 9 which the eligible vacant building is located, or the county assessor if
 10 there is no township assessor for the township, review the deduction
 11 application.

12 (i) A property owner may appeal a determination of the county
 13 auditor under subsection (f) by requesting in writing a preliminary
 14 conference with the county auditor not more than forty-five (45) days
 15 after the county auditor gives the property owner notice of the
 16 determination. An appeal under this subsection shall be processed and
 17 determined in the same manner that an appeal is processed and
 18 determined under IC 6-1.1-15.

19 (j) In addition to the requirements of subsection (c), a property
 20 owner that files a deduction application under this section must provide
 21 the county auditor and the designating body with information showing
 22 the extent to which there has been compliance with the statement of
 23 benefits approved under section 4.8 of this chapter. This information
 24 must be included in the deduction application and must also be updated
 25 each year in which the deduction is applicable:

26 (1) at the same time that the property owner or the ~~property~~
 27 ~~owner's~~ tenant files a personal property tax return for property
 28 located at the eligible vacant building for which the deduction
 29 was granted; or

30 (2) if subdivision (1) does not apply, before May 15 of each year.

31 (k) The following information is a public record if filed under this
 32 section:

33 (1) The name and address of the property owner.

34 (2) The location and description of the eligible vacant building for
 35 which the deduction was granted.

36 (3) Any information concerning the number of employees at the
 37 eligible vacant building for which the deduction was granted,
 38 including estimated totals that were provided as part of the
 39 statement of benefits.

40 (4) Any information concerning the total of the salaries paid to the
 41 employees described in subdivision (3), including estimated totals
 42 that are provided as part of the statement of benefits.



(5) Any information concerning the assessed value of the eligible vacant building, including estimates that are provided as part of the statement of benefits.

(l) Information concerning the specific salaries paid to individual employees by the property owner or tenant is confidential.

SECTION 21. IC 6-1.1-12.1-17, AS AMENDED BY P.L.288-2013, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 17. (a) A designating body may provide to a business that is established in or relocated to a revitalization area and that receives a deduction under section 4, ~~or 4.5, or 4.8~~ of this chapter an abatement schedule based on the following factors:

(1) The total amount of the taxpayer's investment in real and personal property.

(2) The number of new full-time equivalent jobs created **or retained.**

(3) The average wage of the new employees compared to the state minimum wage.

(4) The infrastructure requirements for the taxpayer's investment.

(b) This subsection applies to a statement of benefits approved after June 30, 2013. A designating body shall establish an abatement schedule for each deduction allowed under this chapter. An abatement schedule must specify the percentage amount of the deduction for each year of the deduction. An abatement schedule may not exceed ten (10) years.

(c) An abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits.

SECTION 22. IC 6-1.1-20.6-9.8, AS AMENDED BY P.L.257-2013, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9.8. (a) This section applies to property taxes first due and payable after December 31, 2009.

(b) The following definitions apply throughout this section:

(1) "Debt service obligations of a political subdivision" refers to:

(A) the principal and interest payable during a calendar year on bonds; and

(B) lease rental payments payable during a calendar year on leases;

of a political subdivision payable from ad valorem property taxes.

(2) "Protected taxes" refers to the following:

(A) Property taxes that are exempted from the application of a credit granted under section 7 or 7.5 of this chapter by



section 7(b), 7(c), 7.5(b), or 7.5(c) of this chapter or another law.

(B) Property taxes imposed by a political subdivision to pay for debt service obligations ~~of incurred after December 31, 2012, by~~ a political subdivision that are not exempted from the application of a credit granted under section 7 or 7.5 of this chapter by section 7(b), 7(c), 7.5(b), or 7.5(c) of this chapter or any other law. Property taxes described in this subsection are subject to the credit granted under section 7 or 7.5 of this chapter by section 7(b), 7(c), 7.5(b), or 7.5(c) of this chapter regardless of their designation as protected taxes.

(3) "Unprotected taxes" refers to property taxes that are not protected taxes.

(c) Except as provided in subsection (e) for property taxes due and payable in 2013, the total amount of revenue to be distributed to the fund for which the protected taxes were imposed shall be determined as if no credit were granted under section 7 or 7.5 of this chapter. The total amount of the loss in revenue resulting from the granting of credits under section 7 or 7.5 of this chapter must reduce only the amount of unprotected taxes distributed to a fund using the following criteria:

(1) The reduction may be allocated in the amounts determined by the political subdivision using a combination of unprotected taxes of the political subdivision in those taxing districts in which the credit caused a reduction in protected taxes.

(2) The tax revenue and each fund of any other political subdivisions must not be affected by the reduction.

(d) When:

(1) the revenue that otherwise would be distributed to a fund receiving only unprotected taxes is reduced entirely under subsection (c) and the remaining revenue is insufficient for a fund receiving protected taxes to receive the revenue specified by subsection (c); or

(2) there is not a fund receiving only unprotected taxes from which to distribute revenue;

the revenue distributed to the fund receiving protected taxes must also be reduced. If the revenue distributed to a fund receiving protected taxes is reduced, the political subdivision may transfer money from one (1) or more of the other funds of the political subdivision to offset the loss in revenue to the fund receiving protected taxes. The transfer is limited to the amount necessary for the fund receiving protected taxes to receive the revenue specified under subsection (c). The amount



1 transferred shall be specifically identified as a debt service obligation
2 transfer for each affected fund.

3 (e) This subsection applies to property taxes due and payable in
4 2013. The total amount of the loss in revenue resulting from the
5 granting of credits under section 7 or 7.5 of this chapter must reduce
6 the amount of protected and unprotected property taxes distributed to
7 a fund in proportion to the property tax levy imposed for that fund
8 relative to the total of all protected and unprotected property tax levies
9 imposed by the political subdivision. The allocations shall be made
10 after the political subdivision receives its distribution.

11 SECTION 23. IC 6-1.1-22-8.1, AS AMENDED BY P.L.120-2012,
12 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
13 JULY 1, 2014]: Sec. 8.1. (a) The county treasurer shall:

14 (1) except as provided in subsection (h), mail to the last known
15 address of each person liable for any property taxes or special
16 assessment, as shown on the tax duplicate or special assessment
17 records, or to the last known address of the most recent owner
18 shown in the transfer book; and

19 (2) transmit by written, electronic, or other means to a mortgagee
20 maintaining an escrow account for a person who is liable for any
21 property taxes or special assessments, as shown on the tax
22 duplicate or special assessment records;

23 a statement in the form required under subsection (b). However, for
24 property taxes first due and payable in 2008, the county treasurer may
25 choose to use a tax statement that is different from the tax statement
26 prescribed by the department under subsection (b). If a county chooses
27 to use a different tax statement, the county must still transmit (with the
28 tax bill) the statement in either color type or black-and-white type.

29 (b) The department of local government finance shall prescribe a
30 form, subject to the approval of the state board of accounts, for the
31 statement under subsection (a) that includes at least the following:

32 (1) A statement of the taxpayer's current and delinquent taxes and
33 special assessments.

34 (2) A breakdown showing the total property tax and special
35 assessment liability and the amount of the taxpayer's liability that
36 will be distributed to each taxing unit in the county.

37 (3) An itemized listing for each property tax levy, including:

38 (A) the amount of the tax rate;

39 (B) the entity levying the tax owed; and

40 (C) the dollar amount of the tax owed.

41 (4) Information designed to show the manner in which the taxes
42 and special assessments billed in the tax statement are to be used.



(5) A comparison showing any change in the assessed valuation for the property as compared to the previous year.

(6) A comparison showing any change in the property tax and special assessment liability for the property as compared to the previous year. The information required under this subdivision must identify:

(A) the amount of the taxpayer's liability distributable to each taxing unit in which the property is located in the current year and in the previous year; and

(B) the percentage change, if any, in the amount of the taxpayer's liability distributable to each taxing unit in which the property is located from the previous year to the current year.

(7) An explanation of the following:

(A) Homestead credits under IC 6-1.1-20.4, IC 6-3.5-6-13, or another law that are available in the taxing district where the property is located.

(B) All property tax deductions that are available in the taxing district where the property is located.

(C) The procedure and deadline for filing for any available homestead credits under IC 6-1.1-20.4, IC 6-3.5-6-13, or another law and each deduction.

(D) The procedure that a taxpayer must follow to:

(i) appeal a current assessment; or

(ii) petition for the correction of an error related to the taxpayer's property tax and special assessment liability.

(E) The forms that must be filed for an appeal or a petition described in clause (D).

(F) The procedure and deadline that a taxpayer must follow and the forms that must be used if a credit or deduction has been granted for the property and the taxpayer is no longer eligible for the credit or deduction.

(G) Notice that an appeal described in clause (D) requires evidence relevant to the true tax value of the taxpayer's property as of the assessment date that is the basis for the taxes payable on that property.

The department of local government finance shall provide the explanation required by this subdivision to each county treasurer.

(8) A checklist that shows:

(A) homestead credits under IC 6-1.1-20.4, IC 6-3.5-6-13, or another law and all property tax deductions; and

(B) whether each homestead credit and property tax deduction



- 1 applies in the current statement for the property transmitted
 2 under subsection (a).
- 3 (9) This subdivision applies to any property for which a deduction
 4 or credit is listed under subdivision (8) if the notice required
 5 under this subdivision was not provided to a taxpayer on a
 6 reconciling statement under IC 6-1.1-22.5-12. The statement must
 7 include in 2010, 2011, and 2012 a notice that must be returned by
 8 the taxpayer to the county auditor with the taxpayer's verification
 9 of the items required by this subdivision. The notice must explain
 10 the tax consequences and applicable penalties if a taxpayer
 11 unlawfully claims a standard deduction under IC 6-1.1-12-37 on:
- 12 (A) more than one (1) parcel of property; or
 - 13 (B) property that is not the taxpayer's principal place of
 14 residence or is otherwise not eligible for the standard
 15 deduction.
- 16 The notice must include a place for the taxpayer to indicate, under
 17 penalties of perjury, for each deduction and credit listed under
 18 subdivision (8), whether the property is eligible for the deduction
 19 or credit listed under subdivision (8). The notice must also
 20 include a place for each individual who qualifies the property for
 21 a deduction or credit listed in subdivision (8) to indicate the name
 22 of the individual and the name of the individual's spouse (if any),
 23 as the names appear in the records of the United States Social
 24 Security Administration for the purposes of the issuance of a
 25 Social Security card and Social Security number (or that they use
 26 as their legal names when they sign their names on legal
 27 documents), and either the last five (5) digits of each individual's
 28 Social Security number or, if an individual does not have a Social
 29 Security number, the numbers required from the individual under
 30 IC 6-1.1-12-37(e)(4)(B). The notice must explain that the
 31 taxpayer must complete and return the notice with the required
 32 information and that failure to complete and return the notice may
 33 result in disqualification of property for deductions and credits
 34 listed in subdivision (8), must explain how to return the notice,
 35 and must be on a separate form printed on paper that is a different
 36 color than the tax statement. The notice must be prepared in the
 37 form prescribed by the department of local government finance
 38 and include any additional information required by the
 39 department of local government finance. This subdivision expires
 40 January 1, 2015.
- 41 (c) The county treasurer may mail or transmit the statement one (1)
 42 time each year at least fifteen (15) **business** days before the date on



1 which the first or only installment is due. Whenever a person's tax
 2 liability for a year is due in one (1) installment under IC 6-1.1-7-7 or
 3 section 9 of this chapter, a statement that is mailed must include the
 4 date on which the installment is due and denote the amount of money
 5 to be paid for the installment. Whenever a person's tax liability is due
 6 in two (2) installments, a statement that is mailed must contain the
 7 dates on which the first and second installments are due and denote the
 8 amount of money to be paid for each installment. If a statement is
 9 returned to the county treasurer as undeliverable and the forwarding
 10 order is expired, the county treasurer shall notify the county auditor of
 11 this fact. Upon receipt of the county treasurer's notice, the county
 12 auditor may, at the county auditor's discretion, treat the property as not
 13 being eligible for any deductions under IC 6-1.1-12 or any homestead
 14 credits under IC 6-1.1-20.4 and IC 6-3.5-6-13.

15 (d) All payments of property taxes and special assessments shall be
 16 made to the county treasurer. The county treasurer, when authorized by
 17 the board of county commissioners, may open temporary offices for the
 18 collection of taxes in cities and towns in the county other than the
 19 county seat.

20 (e) The county treasurer, county auditor, and county assessor shall
 21 cooperate to generate the information to be included in the statement
 22 under subsection (b).

23 (f) The information to be included in the statement under subsection
 24 (b) must be simply and clearly presented and understandable to the
 25 average individual.

26 (g) After December 31, 2007, a reference in a law or rule to
 27 IC 6-1.1-22-8 (expired January 1, 2008, and repealed) shall be treated
 28 as a reference to this section.

29 (h) Transmission of statements and other information under this
 30 subsection applies in a county only if the county legislative body adopts
 31 an authorizing ordinance. Subject to subsection (i), in a county in
 32 which an ordinance is adopted under this subsection for property taxes
 33 and special assessments first due and payable after 2009, a person may,
 34 in any manner permitted by subsection (n), direct the county treasurer
 35 and county auditor to transmit the following to the person by electronic
 36 mail:

37 (1) A statement that would otherwise be sent by the county
 38 treasurer to the person by regular mail under subsection (a)(1),
 39 including a statement that reflects installment payment due dates
 40 under section 9.5 or 9.7 of this chapter.

41 (2) A provisional tax statement that would otherwise be sent by
 42 the county treasurer to the person by regular mail under



1 IC 6-1.1-22.5-6.

2 (3) A reconciling tax statement that would otherwise be sent by
3 the county treasurer to the person by regular mail under any of the
4 following:

5 (A) Section 9 of this chapter.

6 (B) Section 9.7 of this chapter.

7 (C) IC 6-1.1-22.5-12, including a statement that reflects
8 installment payment due dates under IC 6-1.1-22.5-18.5.

9 (4) Any other information that:

10 (A) concerns the property taxes or special assessments; and

11 (B) would otherwise be sent:

12 (i) by the county treasurer or the county auditor to the person
13 by regular mail; and

14 (ii) before the last date the property taxes or special
15 assessments may be paid without becoming delinquent.

16 The information listed in this subsection may be transmitted to a person
17 by using electronic mail that provides a secure Internet link to the
18 information.

19 (i) For property with respect to which more than one (1) person is
20 liable for property taxes and special assessments, subsection (h) applies
21 only if all the persons liable for property taxes and special assessments
22 designate the electronic mail address for only one (1) individual
23 authorized to receive the statements and other information referred to
24 in subsection (h).

25 (j) Before 2010, the department of local government finance shall
26 create a form to be used to implement subsection (h). The county
27 treasurer and county auditor shall:

28 (1) make the form created under this subsection available to the
29 public;

30 (2) transmit a statement or other information by electronic mail
31 under subsection (h) to a person who, at least thirty (30) days
32 before the anticipated general mailing date of the statement or
33 other information, files the form created under this subsection:

34 (A) with the county treasurer; or

35 (B) with the county auditor; and

36 (3) publicize the availability of the electronic mail option under
37 this subsection through appropriate media in a manner reasonably
38 designed to reach members of the public.

39 (k) The form referred to in subsection (j) must:

40 (1) explain that a form filed as described in subsection (j)(2)
41 remains in effect until the person files a replacement form to:

42 (A) change the person's electronic mail address; or



- 1 (B) terminate the electronic mail option under subsection (h);
- 2 and
- 3 (2) allow a person to do at least the following with respect to the
- 4 electronic mail option under subsection (h):
- 5 (A) Exercise the option.
- 6 (B) Change the person's electronic mail address.
- 7 (C) Terminate the option.
- 8 (D) For a person other than an individual, designate the
- 9 electronic mail address for only one (1) individual authorized
- 10 to receive the statements and other information referred to in
- 11 subsection (h).
- 12 (E) For property with respect to which more than one (1)
- 13 person is liable for property taxes and special assessments,
- 14 designate the electronic mail address for only one (1)
- 15 individual authorized to receive the statements and other
- 16 information referred to in subsection (h).
- 17 (I) The form created under subsection (j) is considered filed with the
- 18 county treasurer or the county auditor on the postmark date or on the
- 19 date it is electronically submitted. If the postmark is missing or
- 20 illegible, the postmark is considered to be one (1) day before the date
- 21 of receipt of the form by the county treasurer or the county auditor.
- 22 (m) The county treasurer shall maintain a record that shows at least
- 23 the following:
- 24 (1) Each person to whom a statement or other information is
- 25 transmitted by electronic mail under this section.
- 26 (2) The information included in the statement.
- 27 (3) Whether the county treasurer received a notice that the
- 28 person's electronic mail was undeliverable.
- 29 (n) A person may direct the county treasurer and county auditor to
- 30 transmit information by electronic mail under subsection (h) on a form
- 31 prescribed by the department submitted:
- 32 (1) in person;
- 33 (2) by mail; or
- 34 (3) in an online format developed by the county and approved by
- 35 the department.
- 36 SECTION 24. IC 6-1.1-28-1, AS AMENDED BY P.L.182-2009(ss),
- 37 SECTION 166, IS AMENDED TO READ AS FOLLOWS
- 38 [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) Each county shall have a
- 39 county property tax assessment board of appeals composed of
- 40 individuals who are at least eighteen (18) years of age and
- 41 knowledgeable in the valuation of property. At the election of the board
- 42 of commissioners of the county, a county property tax assessment



1 board of appeals may consist of three (3) or five (5) members appointed
2 in accordance with this section.

3 (b) This subsection applies to a county in which the board of
4 commissioners elects to have a five (5) member county property tax
5 assessment board of appeals. In addition to the county assessor, only
6 one (1) other individual who is an officer or employee of a county or
7 township may serve on the board of appeals in the county in which the
8 individual is an officer or employee. Subject to subsections (g) and (h),
9 the fiscal body of the county shall appoint two (2) individuals to the
10 board. At least one (1) of the members appointed by the county fiscal
11 body must be a certified level two or level three assessor-appraiser.
12 Subject to subsections (g) and (h), the board of commissioners of the
13 county shall appoint three (3) freehold members so that not more than
14 three (3) of the five (5) members may be of the same political party and
15 so that at least three (3) of the five (5) members are residents of the
16 county. At least one (1) of the members appointed by the board of
17 county commissioners must be a certified level two or level three
18 assessor-appraiser. The board of county commissioners may waive the
19 requirement in this subsection that one (1) of the freehold members
20 appointed by the board of county commissioners must be a certified
21 level two or level three assessor-appraiser.

22 (c) This subsection applies to a county in which the board of
23 commissioners elects to have a three (3) member county property tax
24 assessment board of appeals. In addition to the county assessor, only
25 one (1) other individual who is an officer or employee of a county or
26 township may serve on the board of appeals in the county in which the
27 individual is an officer or employee. Subject to subsections (g) and (h),
28 the fiscal body of the county shall appoint one (1) individual to the
29 board. The member appointed by the county fiscal body must be a
30 certified level two or level three assessor-appraiser. Subject to
31 subsections (d) and (e), the board of commissioners of the county shall
32 appoint two (2) freehold members so that not more than two (2) of the
33 three (3) members may be of the same political party and so that at
34 least two (2) of the three (3) members are residents of the county. At
35 least one (1) of the members appointed by the board of county
36 commissioners must be a certified level two or level three
37 assessor-appraiser. The board of county commissioners may waive the
38 requirement in this subsection that one (1) of the freehold members
39 appointed by the board of county commissioners must be a certified
40 level two or level three assessor-appraiser.

41 (d) A person appointed to a property tax assessment board of
42 appeals may serve on the property tax assessment board of appeals of



another county at the same time. The members of the board shall elect a president. The employees of the county assessor shall provide administrative support to the property tax assessment board of appeals. The county assessor is a nonvoting member of the property tax assessment board of appeals. The county assessor shall serve as secretary of the board. The secretary shall keep full and accurate minutes of the proceedings of the board. A majority of the board that includes at least one (1) certified level two or level three assessor-appraiser constitutes a quorum for the transaction of business. Any question properly before the board may be decided by the agreement of a majority of the whole board.

(e) The county assessor, county fiscal body, and board of county commissioners may agree to waive the requirement in subsection (b) or (c) that not more than three (3) of the five (5) or two (2) of the three (3) members of the county property tax assessment board of appeals may be of the same political party if it is necessary to waive the requirement due to the absence of certified level two or level three Indiana assessor-appraisers:

- (1) who are willing to serve on the board; and
- (2) whose political party membership status would satisfy the requirement in subsection (b) or (c).

(f) If the board of county commissioners is not able to identify at least two (2) prospective freehold members of the county property tax assessment board of appeals who are:

- (1) residents of the county;
- (2) certified level two or level three Indiana assessor-appraisers; and
- (3) willing to serve on the county property tax assessment board of appeals;

it is not necessary that at least three (3) of the five (5) or two (2) of the three (3) members of the county property tax assessment board of appeals be residents of the county.

(g) Except as provided in subsection (f), the term of a member of the county property tax assessment board of appeals appointed under this section:

- (1) is one (1) year; and
- (2) begins January 1.

(h) If:

- (1) the term of a member of the county property tax assessment board of appeals appointed under this section expires;
- (2) the member is not reappointed; and
- (3) a successor is not appointed;



the term of the member continues until a successor is appointed.

(i) **An:**

(1) **employee of the township assessor or county assessor; or**

(2) **appraiser, as defined in IC 6-1.1-31.7-1;**

may not serve as a voting member of a county property tax assessment board of appeals in a county where the employee or appraiser is employed.

SECTION 25. IC 6-1.1-35.7 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]:

Chapter 35.7. Assessor, Appraiser, and Tax Representative Standards of Conduct

Sec. 1. As used in this chapter, "appraiser" has the meaning set forth in IC 6-1.1-31.7-1.

Sec. 2. As used in this chapter, "tax representative" means a person who represents another person at a proceeding before the property tax assessment board of appeals or the department. The term does not include:

(1) **the owner of the property (or person liable for the taxes under IC 6-1.1-2-4) that is the subject of the appeal;**

(2) **a permanent full-time employee of the owner of the property (or person liable for the taxes under IC 6-1.1-2-4) who is the subject of the appeal;**

(3) **a representative of a local unit of government appearing on behalf of the unit;**

(4) **a certified public accountant, when the certified public accountant is representing a client in a matter that relates only to personal property taxation; or**

(5) **an attorney who is a member in good standing of the Indiana bar or any person who is a member in good standing of any other state bar and who has been granted leave by the department to appear pro hac vice.**

Sec. 3. (a) An individual who is a township assessor, a county assessor, an employee of the township assessor or county assessor, or an appraiser shall adhere to the Uniform Standards of Professional Appraisal Practice in the performance of the individual's duties.

(b) An individual who is a township assessor, a county assessor, an employee of the township assessor or county assessor, or an appraiser shall not do any of the following:

(1) **Conduct an assessment that includes the reporting of a predetermined opinion or conclusion.**



(2) Misrepresent the individual's role when providing valuation services that are outside the practice of property assessment.

(3) Communicate assessment results with the intent to mislead or defraud.

(4) Communicate a report that the individual knows is misleading or fraudulent.

(5) Knowingly permit an employee or other person to communicate a misleading or fraudulent report.

(6) Engage in criminal conduct.

(7) Willfully or knowingly violate the requirements of IC 6-1.1-35-9.

(8) Perform an assessment in a grossly negligent manner.

(9) Perform an assessment with bias.

(10) Advocate for an assessment. However, this subdivision does not prevent a township assessor, a county assessor, an employee of the county assessor or township assessor, or an appraiser from defending or explaining the accuracy of an assessment and any corresponding methodology used in the assessment at a preliminary informal hearing, during settlement discussions, at a public hearing, or at the appellate level.

Sec. 4. (a) A township assessor, a county assessor, an employee of the township assessor or county assessor, or an appraiser:

(1) must be competent to perform a particular assessment;

(2) must acquire the necessary competency to perform the assessment; or

(3) shall contract with an appraiser who demonstrates competency to do the assessment.

(b) The department may revoke the certification of a township assessor, a county assessor, an employee of the township assessor or county assessor, or an appraiser under 50 IAC 15 for gross incompetence in the performance of an assessment.

Sec. 5. (a) The department may revoke a certification issued under 50 IAC 15 for not more than three (3) years if the department determines by a preponderance of the evidence that the township assessor, county assessor, employee of the township assessor or county assessor, or appraiser violated any provision of this chapter.

(b) If an appraiser's certification is revoked:

(1) any contract for appraisal of property in Indiana that the appraiser has entered into is void; and



(2) the appraiser may not receive any additional payments under the contract.

(c) A contract entered into by an appraiser for appraisal of property in Indiana must contain a provision specifying that the contract is void if the appraiser's certification is revoked under this chapter.

Sec. 6. A tax representative may not do any of the following:

(1) Use or participate in the use of any false, fraudulent, unduly influencing, coercive, unfair, misleading, or deceptive statement or claims with respect to any matter relating to the practice before the property tax assessment board of appeals or the department.

(2) Knowingly misrepresent any information or act in a fraudulent manner.

(3) Prepare documents or provide evidence in a property assessment appeal unless the representative is authorized by the property owner (or person liable for the taxes under IC 6-1.1-2-4) to do so and any required authorization form has been filed.

(4) Knowingly submit false or erroneous information in a property assessment appeal.

(5) Knowingly fail to use the appraisal standards and methods required by rules adopted by the department, Indiana board, or property tax assessment board of appeals when the representative submits appraisal information in a property assessment appeal.

(6) Knowingly fail to notify the property owner (or person liable for the taxes under IC 6-1.1-2-4) of all matters relating to the review of the assessment of taxpayers' property before the property tax assessment board of appeals or the department, including, but not limited to, the following:

(A) The tax representative's filing of all necessary documents, correspondence, and communications with the property tax assessment board of appeals or department.

(B) The dates and substance of all hearings, onsite inspections, and meetings.

Sec. 7. The department may revoke the certification of a tax representative for the following:

(1) Violation of any rule applicable to certification or practice before the department, the Indiana board, or the property tax assessment board of appeals.

(2) Gross incompetence in the performance of practicing



1 before the property tax assessment board of appeals, the
2 department, or the Indiana board.

3 **(3) Dishonesty or fraud committed while practicing before the**
4 **property tax assessment board of appeals, the department, or**
5 **the Indiana board.**

6 **(4) Violation of the standards of ethics or rules of solicitation**
7 **adopted by the department.**

8 SECTION 26. IC 6-1.1-40-11, AS AMENDED BY P.L.146-2008,
9 SECTION 301, IS AMENDED TO READ AS FOLLOWS
10 [EFFECTIVE JULY 1, 2014]: Sec. 11. (a) A person that desires to
11 obtain the deduction provided by section 10 of this chapter must file a
12 certified deduction application, on forms prescribed by the department
13 of local government finance, with:

14 (1) the auditor of the county in which the new manufacturing
15 equipment is located; and

16 (2) the department of local government finance.

17 A person that timely files a personal property return under
18 IC 6-1.1-3-7(a) for the year in which the new manufacturing equipment
19 is installed must file the application between ~~March~~ **January** 1 and
20 May 15 of that year.

21 (b) The application required by this section must contain the
22 following information:

23 (1) The name of the owner of the new manufacturing equipment.

24 (2) A description of the new manufacturing equipment.

25 (3) Proof of the date the new manufacturing equipment was
26 installed.

27 (4) The amount of the deduction claimed for the first year of the
28 deduction.

29 (c) A deduction application must be filed under this section in the
30 year in which the new manufacturing equipment is installed and in
31 each of the immediately succeeding nine (9) years.

32 (d) The department of local government finance shall review and
33 verify the correctness of each application and shall notify the county
34 auditor of the county in which the property is located that the
35 application is approved or denied or that the amount of the deduction
36 is altered. Upon notification of approval of the application or of
37 alteration of the amount of the deduction, the county auditor shall make
38 the deduction.

39 (e) If the ownership of new manufacturing equipment changes, the
40 deduction provided under section 10 of this chapter continues to apply
41 to that equipment if the new owner:

42 (1) continues to use the equipment in compliance with any



- standards established under section 7(c) of this chapter; and
 (2) files the applications required by this section.
 (f) The amount of the deduction is:
 (1) the percentage under section 10 of this chapter that would
 have applied if the ownership of the property had not changed;
 multiplied by
 (2) the assessed value of the equipment for the year the deduction
 is claimed by the new owner.

SECTION 27. IC 6-1.1-44-6 IS AMENDED TO READ AS
 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. (a) To obtain a
 deduction under this chapter, a manufacturer must file an application
 on forms prescribed by the department of local government finance
 with the auditor of the county in which the investment property is
 located. A person that timely files a personal property return under
 IC 6-1.1-3-7(a) for the year in which the investment property is
 installed must file the application between ~~March~~ **January** 1 and May
 15 of that year. A person that obtains a filing extension under
 IC 6-1.1-3-7(b) for the year in which the investment property is
 installed must file the application between ~~March~~ **January** 1 and the
 extended due date for that year.

(b) The deduction application required by this section must contain
 the following information:

- (1) The name of the owner of the investment property.
- (2) A description of the investment property.
- (3) Proof of purchase of the investment property and proof of the
 date the investment property was installed.
- (4) The amount of the deduction claimed.

SECTION 28. IC 36-2-9-20, AS AMENDED BY P.L.137-2012,
 SECTION 117, IS AMENDED TO READ AS FOLLOWS
 [EFFECTIVE JULY 1, 2014]: Sec. 20. The county auditor shall:

- (1) maintain an electronic data file of the information contained
 on the tax duplicate for all:
 - (A) parcels; and
 - (B) personal property returns;
 for each township in the county as of each assessment date;
- (2) maintain the electronic data file in a form that formats the
 information in the file with the standard data, field, and record
 coding required and approved by:
 - (A) the legislative services agency; and
 - (B) the department of local government finance;
- (3) transmit the data in the file with respect to the assessment date
 of each year before March 16 of the next year **for an assessment**



1 **date in a year that ends before January 1, 2015, and before**
 2 **January 16 of the next year for an assessment date in a year**
 3 **that begins after December 31, 2014, to:**

4 (A) the legislative services agency in an electronic format
 5 under IC 5-14-6; and

6 (B) the department of local government finance;
 7 in a manner that meets the data export and transmission
 8 requirements in a standard format, as prescribed by the office of
 9 technology established by IC 4-13.1-2-1 and approved by the
 10 legislative services agency; and

11 (4) resubmit the data in the form and manner required under this
 12 subsection, upon request of the legislative services agency or the
 13 department of local government finance, if data previously
 14 submitted under this subsection does not comply with the
 15 requirements of this subsection, as determined by the legislative
 16 services agency or the department of local government finance.

17 An electronic data file maintained for a particular assessment date may
 18 not be overwritten with data for a subsequent assessment date until a
 19 copy of an electronic data file that preserves the data for the particular
 20 assessment date is archived in the manner prescribed by the office of
 21 technology established by IC 4-13.1-2-1 and approved by the
 22 legislative services agency.

23 **SECTION 29. An emergency is declared for this act.**

